

CGB-CC-0148

LAW OFFICES

SMITHWICK & BELENDIUK, P.C.

5028 WISCONSIN AVENUE, N.W.

SUITE 301

WASHINGTON, D.C. 20016

TELEPHONE (202) 363-4050

FACSIMILE (202) 363-4266

GARY S. SMITHWICK

ARTHUR V. BELENDIUK

DIRECT DIAL NUMBER:

(202) 363-4559

E-MAIL ADDRESS:

abelendiukt3fccworld.com

COUNSEL

WILLIAM M. BARNARD

ROBERT LEWIS THOMPSON

FILED/ACCEPTED

December 18, 2006

DEC 18 2006

Marlene H. Dortch, Esquire
Secretary
Federal Communications Commission
236 Massachusetts Avenue, N.E.
Suite 110
Washington, D.C. 20002

Federal Communications Commission
Office of the Secretary

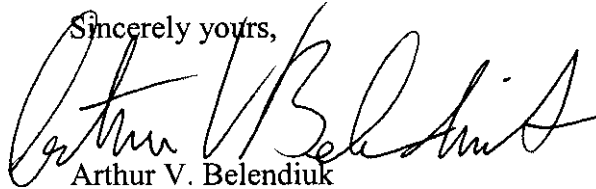
Re: The LuCa Group, Inc.
Petition Requesting Exemption from Closed Captioning Requirements
File No. CGB-CC-0148

Dear Ms. Dortch:

On behalf of The LuCa Group, Inc., petitioner in the above-captioned matter, we are submitting herewith the original and two copies of a Declaration to be associated with our Petition filed with the FCC on December 29, 2005, in File No. CGB-CC-0148.

If **any** question arises in connection with this submission, please contact undersigned counsel.

Sincerely yours,



Arthur V. Belendiuk

Counsel for The LuCa Group, Inc.

AVB/sls
Enclosure

DECLARATION

I, Monica M. Rojas, declare under penalty of perjury that the following is true and correct:

I am the Vice President of Operations and corporate Secretary of The LuCa Group, Inc.

The LuCa Group is in the business of producing program-length commercials, for car dealerships, car insurance companies and other businesses wishing to advertise their products or services on television. In addition to producing commercials, the LuCa Group purchases broadcast time from local television stations located primarily in the Los Angeles television market. The commercials for the car dealerships, which are generally one-half hour in length, have no repeat value. California law requires that a car dealer cannot advertise a vehicle 48 hours after it is sold. Since our dealers are constantly selling their inventory, this necessitates the production of a new commercial each week.

The LuCa Group is required by state law to make certain on-screen disclosures. For each car shown, The LuCa Group is required to print on screen, the make, model, year, pricing and payments and a complete disclosure of down payments, interest and payment details for purchasing or leasing the vehicle.

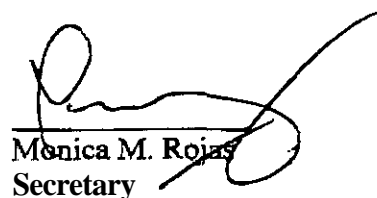
The LuCa Group produces an average of about 15 new program-length commercials in English and Spanish per week. The LuCa Group does not make money on production. Because the LuCa Group competes with radio and newspaper advertising, it is limited to what it can charge for production. Our production net profit

margin is a negative 1.2%. The LuCa Group makes its money on the 15% sales commission we receive from the television stations.

In order to implement an in-house closed captioning department, we estimate an additional \$16,250 per month in payroll and subcontractors fees, \$60,000 in capital expenditures for edit bays and \$24,000 for office expansion, for a total first year outlay of \$270,000. The closed captioning costs would result in an additional net loss of -.4%, which would be a total loss of -1.6%.

If The LuCA Group is required to provide closed captioning for the commercials it produces, I believe that the net result will be that our clients' advertising business will migrate to radio and newspaper competitors, causing economic loss to both The LuCa Group and the local television stations which currently air these commercials

Executed this 11th day of December 2006.


Monica M. Rojas
Secretary